

MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

OFFICE OF THE CITY MANAGER

LTC # **104-2016**

LETTER TO COMMISSION

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: March 11, 2016

SUBJECT: **Miami Beach Convention Center Construction Project Update**

The purpose of this LTC is to update the Mayor and City Commission on the Miami Beach Convention Center renovation and expansion project for the month of February 2016. Project dashboard is attached as Exhibit A and a corresponding Budget Summary Breakdown is attached as Exhibit B. In addition, narrative updates are as follows:

BIDDING

Clark awarded an additional \$9 million in trade contracts in February; bringing the total under contract to \$373 million out of the budgeted \$410 million. New awards related to overhead doors, carpet/resilient tile, loading dock equipment; expansion joints, food service equipment, resinous flooring, and termite control. Total trade contracts to date are above the trade cost budget by approximately \$3 million. It has not been determined yet if the overage will be allocated to the \$29.7 million construction manager's contingency already included within the Guaranteed Maximum Price ("GMP"), or the \$35 million owner's contingency. The determination will be made as part of the GMP reconciliation process currently scheduled for April of this year.

GMP DRAW

Construction commenced in November, 2015. A total amount of \$28,459,764, or 5.5%, of the total GMP amount of \$515,458,058 has been invoiced to February 29, 2016. For a detailed breakdown, refer to Exhibit B.

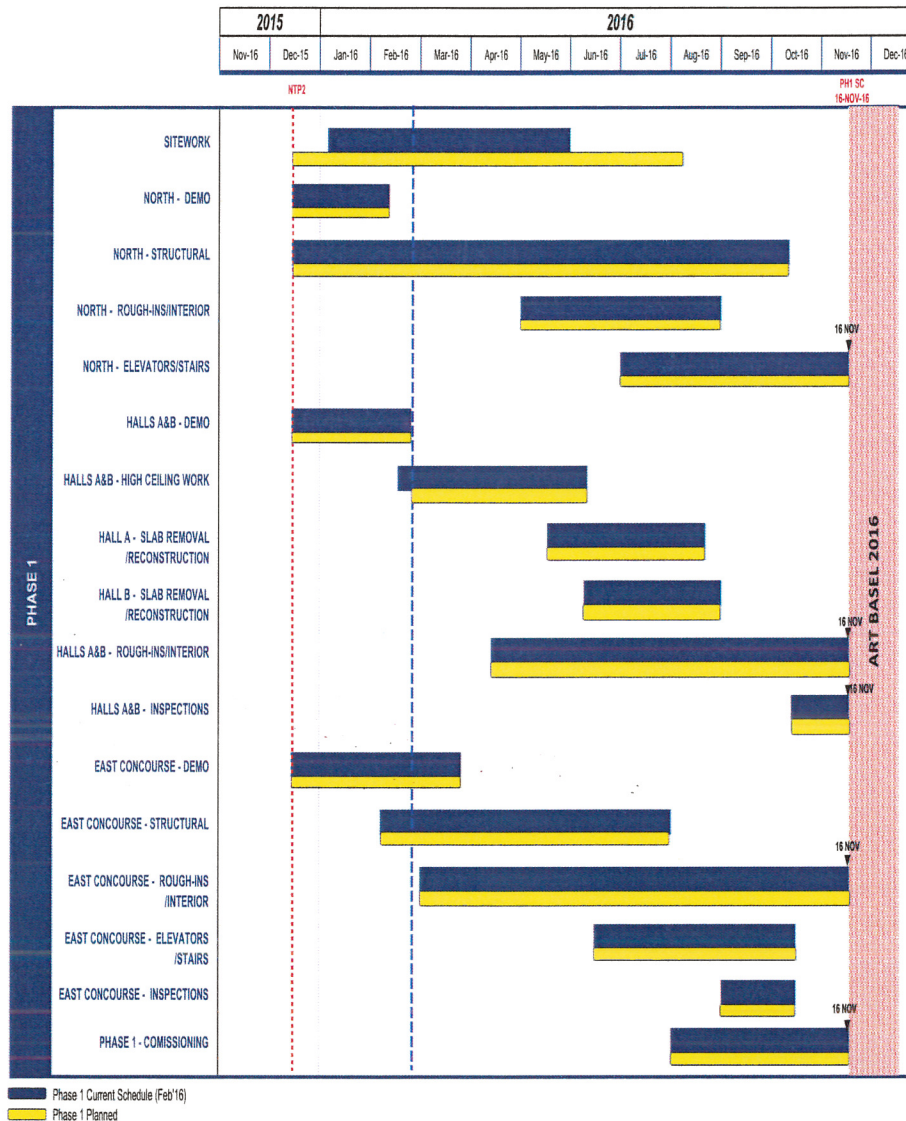
DESIGN STATUS

Construction documents (100% Design) were completed on February 22, 2016. The Building Department and Fire Department are performing their final review.

SCHEDULE

Progress remains on schedule to meet the Art Basel 2016 milestone date of November 17, 2016. The following trade contractors mobilized in February: Concrete, Roofing, Structural Steel, and Soil Compaction. Production piles began on the North addition.

The following schedule summarizes the key milestones being tracked for Phase I which ends in December 2016:



CONSTRUCTION

Key construction activities include:

- Began installation of production piles at North Addition
- Began soil stabilization at North Addition
- Relocating and installing site utilities, north
- Began demo of Washington Ave. façade
- Began structural steel joist reinforcement
- Fabricating Curtain wall performance mock-up

- Completing separation
- Mobile Kitchen Set up in South Dock

As was mentioned in last month's project update, Clark indicated that their original plan of keeping the eastside kitchen in operation while the eastside is being renovated was not viable. The Clark team quickly installed a temporary kitchen in about two and one-half weeks. The temporary kitchen will be removed prior to Art Basel this year.

OWNER COSTS

A total of \$42,122,037, or 59%, of the owner cost budget has been expended to date. The high percentage is due to the inclusion of design as a large component of Owner's Cost. For a detailed breakdown, refer to Exhibit B.

LOCAL HIRE

Clark Construction continues their commitment to maximizing workforce opportunities for City of Miami Beach and Miami-Dade County residents. Attached as Exhibit C is a summary of the local hiring efforts, to date, of Clark and its subcontractors. The current report shows a summary of all employees on the project thus far, sorted by zip code. This shows that Clark is currently over 56% local hire (Miami Beach and Miami-Dade County) by individual and over 49% by man-hours.

Also, on March 8, Clark conducted a Job Fair which was held at the Botanical Garden. The event was advertised in the Sunday Miami Herald and fliers (refer to Exhibit D) were distributed to Clark's local resource partners as well as various staffing agencies. Approximately 100 people attended with 10 convention center subcontractors and lower tier subcontractors represented. Applicants had the opportunity to meet face to face with hiring officials and submit resumes.

If there are any questions, please do not hesitate to contact myself or Maria Hernandez at Extension 2584.

Attachments:

Exhibit A – Project Dashboard and Site Photos
Exhibit B – Budget Summary Breakdown
Exhibit C – Clark Construction Local Hiring Plan
Exhibit D – Job Fair Flier

JLM / MH

Convention Center Renovation & Expansion

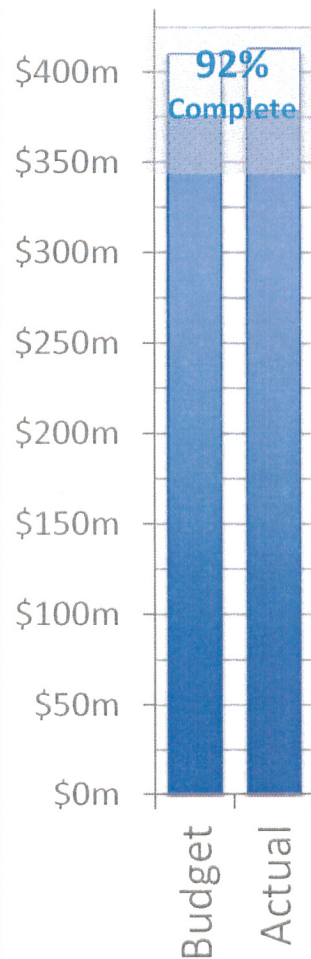
Project Dashboard

February 29, 2016

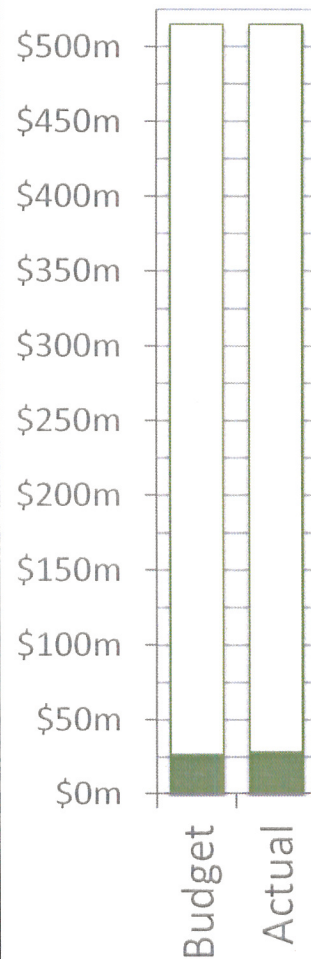
EXHIBIT A



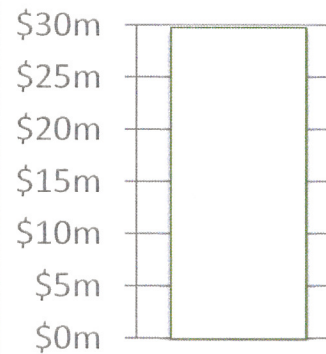
Trade Bidding



GMP Draw



CM Contingency

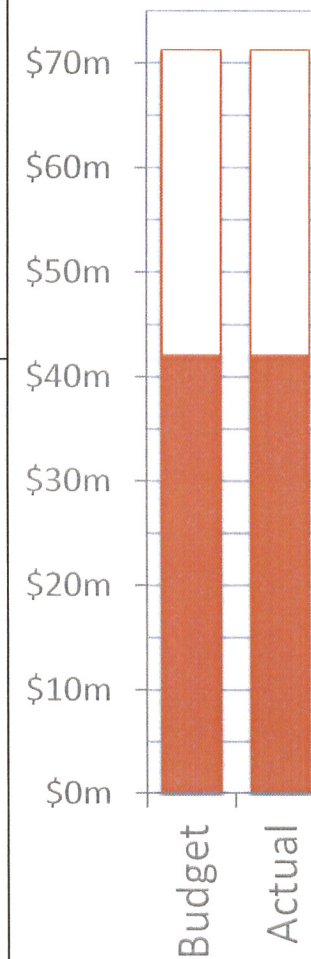


Construction Budget

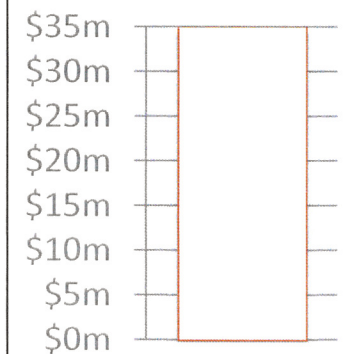
Notes:

- 92% of trades have been bid.
- 5.5% of the GMP budget has been expended.
- Trades bought to date are \$3m over the trade cost budget. It has not been determined yet if that overage will be allocated to the CM or owners contingency.

Owner Costs



Owner's Contingency



Owner Budget

Notes:

- 59% of owner budget has been expended.
- 0% of the owner's contingency budget has been expended.

Other Notes:

- All shows and events have occurred as scheduled.
- 100 design documents issued 2/22/16.

Convention Center Renovation & Expansion

Project Dashboard

February 2016

EXHIBIT A



EXHIBIT B

Miami Beach Convention Center Expansion & Renovation Project

Approved Budget				Dashboard Summary				
	10/7/15 Original Budget	% Total	Budget Variance	Current Forecasted Budget	Current Budget %	Current Expenses	% Spent	Balance Remaining
Trade Costs	\$410,205,803	66.62%	0	\$410,205,803	66.61%	\$18,112,979	2.94%	\$392,092,824
Contractor Soft Costs								
General Conditions (Clark Staffing)	24,465,886	3.97%	0	24,465,886	3.97%	2,510,000	0.41%	21,955,886
General Requirements	14,760,103	2.40%	0	14,760,103	2.40%	3,064,536	0.50%	11,695,567
Payment & Performance Bond	3,708,000	0.60%	0	3,708,000	0.60%	3,708,000	0.60%	0
GL Insurance	1,807,650	0.29%	0	1,807,650	0.29%	0	0.00%	1,807,650
CMr Fees (3.8%)	17,288,003	2.81%	0	17,288,003	2.81%	1,064,249	0.17%	16,223,754
CM Contingency	29,747,613	4.83%	0	29,747,613	4.83%	0	0.00%	29,747,613
Base GMP	501,983,058	81.53%		501,983,058	81.51%	28,459,764	4.62%	473,523,294
Other GMP Items (Including all mark ups)								
P-Lot Park (allowance)	10,000,000	1.62%	0	10,000,000	1.62%	0	0.00%	10,000,000
Storm water Drainage Culvert	3,475,000	0.56%	0	3,475,000	0.56%	0	0.00%	3,475,000
Subtotal	13,475,000	2.19%	0	13,475,000	2.19%	0	0.00%	13,475,000
Total GMP	515,458,058	83.72%		515,458,058	83.70%	28,459,764	4.62%	486,998,294
Direct Purchase Tax Savings	-6,000,000	-0.97%	0	-6,000,000	-0.97%	0	0.00%	-6,000,000
Total Net GMP	509,458,058	82.74%	0	509,458,058	82.72%	28,459,764	4.62%	480,998,294
Owner's Cost								
City Staffing & Expenses	1,561,000	0.25%	0	1,561,000	0.25%	619,498	0.10%	941,502
Consultant Fees (SAG)	1,047,725	0.17%	0	1,047,725	0.17%	724,791	0.12%	322,934
Owner's Rep (Hill)	5,585,673	0.91%	0	5,585,673	0.91%	602,733	0.10%	4,982,940
Design Fees (Fentress)	26,669,442	4.33%	0	26,669,442	4.33%	20,402,284	3.31%	6,267,158
Owner's Cost Estimator (US Cost)	400,030	0.06%	0	400,030	0.06%	386,371	0.06%	13,659
Pre GMP CM Fee (Clark)	2,594,073	0.42%	0	2,594,073	0.42%	1,556,444	0.25%	1,037,629
Testing & Inspections	2,328,943	0.38%	0	2,328,943	0.38%	105,150	0.02%	2,223,793
Permit & Plan Reviews	2,400,000	0.39%	0	2,400,000	0.39%	1,780,928	0.29%	619,072
Other	847,041	0.14%	4,930,744 ⁴	5,777,785	0.94%	374,579	0.06%	5,403,206
Public Art (AIPP)	6,900,000	1.12%	160,797 ³	7,060,797	1.15%	7,060,797	1.15%	0
MBCC FF&E	6,830,945	1.11%	0	6,830,945	1.11%	0	0.00%	6,830,945
Insurance:		0.00%					0%	
OCIP GL Wrap	9,000,000	1.46%	-4,259,424	4,740,576	0.77%	4,740,576	0.77%	0
Builder Risk/Building (net)	1,600,000	0.26%	-450,000	1,150,000	0.19%	3,150,004	0.51% ¹	-2,000,004
Professional Liability Umbrella	1,000,000	0.16%	-382,117	617,883	0.10%	617,883	0.10%	0
Carl Fisher Renovation Allowance	2,500,000	0.41%	0	2,500,000	0.41%	0	0.00%	2,500,000
Subtotal	71,264,872	11.57%	0	71,264,872	11.57%	42,122,037	6.84%	29,142,835
Total Without Owner's Contingency	580,722,930	94.32%	0	580,722,930	94.29%	70,581,801	11.46%	516,141,129
Owner's Contingency	35,000,000	5.68%	147,449	35,147,449	5.71%	0	0.00%	35,147,449
Total Owner's Contingency	35,000,000	5.68%	147,449	35,147,449	5.71%	0	0.00%	35,147,449
Total Budget With Owner's Contingency	\$615,722,930	100.00%	\$147,449 ²	\$615,870,379	100.0%	\$70,581,801	11.46%	\$551,288,578

1: The property insurance portion of the Builders Risk policy to be reimbursed \$2,000,004 by CMB Risk Dept.

2: The bond offering resulted in additional proceeds that were not included in the original budget.

3: A portion of the savings from insurance was allocated to AIPP to provide for actual costs.

4: The remaining insurance savings is temporarily allocated to other until other budget line items are refined.

EXHIBIT C



CLARK - #113451 - MIAMI BEACH CONVENTION CTR LOCAL WORKER UTILIZATION REPORT BY PROJECT

Project: #113451 - Miami Beach Convention Center
Project Code: 2015-29028
Contractor(s): Multiple Contractors
Craft(s): Multiple Crafts

From Date: 10/1/2015
To Date: 3/2/2016
Report Date: 3/2/2016

Area	Total Number of Workers	% of Total Workers	Total Hours Worked	% of Total Hours Worked	Wages w/ Benefits	Wages w/o Benefits	Number of Apprentices	Number of Journeymen	Number of Foreman	Number of Owner Operators	Number of Super
Zip Lists											
Miami Beach	3	0.52 %	462.50	0.64 %	\$10,025.50	\$10,025.50	0	3	0	0	0
Miami Dade County	324	56.06 %	35,626.10	49.39 %	\$644,255.11	\$629,474.22	1	323	0	0	0
Employees Not In Specified Zip Lists	251	43.43 %	36,039.45	49.97 %	\$913,103.84	\$862,032.19	1	250	0	0	0
Demographic Profile											
African American	137	23.70 %	22,180.75	30.75 %	\$326,327.82	\$325,718.59	1	136	0	0	0
Asian	1	0.17 %	28.00	0.04 %	\$843.08	\$843.08	0	1	0	0	0
Hispanic	264	45.67 %	26,531.30	36.78 %	\$564,538.25	\$552,445.26	0	264	0	0	0
Caucasian	55	9.52 %	6,693.25	9.28 %	\$211,454.36	\$176,589.39	1	54	0	0	0
Other	121	20.93 %	16,694.75	23.15 %	\$464,220.94	\$445,935.58	0	121	0	0	0
Male	547	94.64 %	69,418.55	96.24 %	\$1,516,311.97	\$1,450,965.60	2	545	0	0	0
Female	31	5.36 %	2,709.50	3.76 %	\$51,072.48	\$50,566.31	0	31	0	0	0
Total Employees	578		72,128.05		\$1,567,384.45	\$1,501,531.91	2	576	0	0	0

EXHIBIT D

Calling All Local Workers!

Interested in becoming a part of the Miami Beach Convention Center Renovation Project? Come by and visit the project team at our Job Fair!



MIAMI BEACH
CONVENTION CENTER
CONSTRUCTION
JOB
FAIR



Where & When
When - **Open**
Where - **Open**
Miami Beach Convention Center
Miami Beach, FL 33139
Free
Free parking to adjacent surface lot with fee

What to Bring?
Subcontractors for the Miami Beach Convention Center Expansion & Renovation project
Florida residents: Plumbing, HVAC, Electrical, Audio Visual, Steel, Structural Steel, Carpentry, Carpentry, Masonry, Concrete, Foundation, Painting and General Labor
What to Bring: Current Resume
No cash please!

ISCPR International Society of Construction Professionals

General Project Overview

This work is part of the Convention Center Renovation & Expansion Project. Work began in December 2015 and is anticipated to be completed by July 2018. The total project budget is \$615 million and is funded by County and Municipal bonds.

Download Project Fact Sheet [Here](#)

Watch our
Project Animation

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